

COOPERATIVE EDUCATION PROGRAM

Exchange of notes at Lima August 26 and September 1, 1949, with extension agreement of September 1, 1949, between the Inter-American Educational Foundation and the Minister of Public Education

*Entered into force September 1, 1949; operative from July 1, 1949
Program superseded June 30, 1950, by agreement of September 25 and 29, 1950¹*

63 Stat. 2879; Treaties and Other
International Acts Series 2117

The American Ambassador to the Minister of Foreign Affairs

AMERICAN EMBASSY
Lima, Perú, August 26, 1949

No. 590

EXCELLENCY:

I have the honor to refer to the Basic Agreement between the Government of Perú and the Inter-American Educational Foundation, Inc., dated April 4, 1944,² as later modified and extended,³ providing for the initiation and execution of the cooperative educational program in Perú. I also refer to Your Excellency's note of June 9, 1949, submitting a proposed basis for an extension of that Agreement, and to Your Excellency's note of August 9, 1949, in which it was indicated that the draft of Agreement proposed by the Institute of Inter-American Affairs did not wholly agree with the expectations of the Minister of Education, together with a copy of a new note which the Minister had presented to the Special Representative.

The proposal of the Minister of Education was submitted to the consideration of the Institute of Inter-American Affairs. In reply, I regret to inform Your Excellency that, due to budgetary limitations, the Institute states that it is unable at this time to increase the proposed contribution for the fiscal year ending June 30, 1950.

¹ 1 UST 816; TIAS 2160.

² TIAS 1740, *ante*, p. 1181.

³ TIAS 1740, *ante*, pp. 1207 and 1209.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

HAROLD H. TITTMANN

His Excellency,
Capitán de Navío DON ERNESTO RODRÍGUEZ,
Minister for Foreign Affairs,
Lima.

The Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

No. (D) 6-3/68

LIMA, September 1, 1949

MR. AMBASSADOR:

I have the honor to refer to this Ministry's notes Nos. 6-3/44 and 6/3/60, of July [June] 9 and August 9 last, respectively, in which Your Excellency was informed of the points of view which the Ministry of Public Education wished to see incorporated in the new Agreement on the extension of the Cooperative Education Program.

The Minister of Public Education has addressed to Mr. Lyle B. Pember, Director of the Servicio Cooperativo Peruano-Norteamericano de Educación, a letter, copy of which I attach herewith, setting forth his Ministry's agreement to the bases proposed by the Institute of Inter-American Affairs for the extension of the said Agreement.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

E. RODRÍGUEZ

His Excellency HAROLD H. TITTMANN,
Ambassador Extraordinary and Plenipotentiary
of the United States of America,
City.

[ENCLOSURE]

Mr. LYLE B. PEMBER,
Director, Servicio Cooperativo
Peruano-Norteamericano de Educación.

Communication No. 1226

LIMA, September 1, 1949

I take pleasure in replying to your courteous note No. P-4305 of August 26, in which you inform me that, pursuant to information which you have received from the Institute of Inter-American Affairs, it will be impossible to

increase the allocation of funds for the cooperative projects indicated in the draft Extension Agreement which you submitted to my consideration last July.

I keenly regret that, because of the fact which you explain, that the funds for the Cooperative Programs in Latin America have already been distributed, it will not be possible to increase for the present the sum of \$50,000 (U.S. cy.) fixed by the Institute of Inter-American Affairs for our Cooperative Program during the period from July 1, 1949 to June 30, 1950. I entertain the well-grounded hope that in the knowledge of our educational realities and of the need duly to intensify the impulses that we are going to initiate in our Cooperative Program, a greater sum will be considered for the long-term Program which would start on July 1, 1950 and which is now under study.

In accordance with present possibilities and confirming the conversations that we have had on the subject, my Ministry is agreeable to the extension Agreement which you have submitted to me, under which the Institute of Inter-American Affairs will contribute the sum of \$50,000.00 (U.S. cy.) and the Government of Peru the sum of S/.1'956,836.35, for the period from July 1, 1949 to June 30, 1950, for the continuation of the Program, in addition to the amount of \$129,000.00 (U.S. cy.) which the Institute will contribute for personnel expenses, and to the funds which, as in previous years, the Government of Peru will make available as indirect contributions.

On informing you of the Peruvian Government's decision to continue the Cooperative Program which happily links our two countries in the broad educational field, I take pleasure in renewing to you the assurances of my most distinguished consideration.

God keep you.

COLONEL JUAN MENDOZA R.
Minister of Public Education

EXTENSION AGREEMENT

The REPUBLIC OF PERU (hereinafter referred to as the "Republic") represented by Coronel Juan Mendoza R., the Minister of Public Education, (hereinafter referred to as the "Minister"), and THE INSTITUTE OF INTER-AMERICAN AFFAIRS (hereinafter referred to as the "Institute"), a corporate instrumentality of the Government of the United States of America, represented by its Special Representative, Education Division, Lyle B. Pember, (hereinafter referred to as the "Special Representative"), have agreed, pursuant to the request of the Republic, and in accordance with the subsequent exchange of notes dated August 26, 1949, and Sept. 1, 1949, between the American Ambassador and the Peruvian Minister of Foreign Affairs, upon the following technical details for extending and modifying, in the

manner hereinafter set forth, the Agreement executed by the Republic and the predecessor of the Institute in April 1944, as subsequently modified and extended (hereinafter referred to as the "Basic Agreement"), providing for a cooperative education program to be carried on in Perú.

CLAUSE I

The cooperative education program provided for in the Basic Agreement is hereby extended for an additional period of one year from June 30, 1949, through June 30, 1950. The parties hereto hereby express their complete satisfaction with the way the Servicio Cooperativo Peruano-Norteamericano de Educación (hereinafter referred to as the "Servicio") has operated since it was established, and their recognition of the effectiveness and efficiency of the services rendered by the Servicio to the education of Perú.

CLAUSE II

In addition to the funds required by the Basic Agreement and/or extensions thereto to be contributed or otherwise made available by the parties thereto with respect to the cooperative education program, the parties hereto shall contribute and make available funds for use in continuing the program during the period covered by this Extension Agreement in accordance with the following schedule:

1. The Institute shall make available the funds necessary to pay the salaries and all other expenses of its Education Division field staff in Perú during the period covered by this Extension Agreement, provided that the amount of such funds shall not exceed \$129,000.00. This amount shall be administered by the Institute and shall not be deposited to the credit of the Servicio.

2. The Institute shall deposit to the credit of the Servicio the sum of \$50,000.00, or its equivalent in soles, as follows:

On or before August 15, 1949	\$8,333.30
A sum of \$4,166.67 on or before the 15th day of each succeeding month to and including June 15, 1950, which monthly payments will aggregate	41,666.70
	<u>Total \$50,000.00</u>

All cash grants made by the Institute to the Servicio will be deposited to the account of the Servicio in the United States in a commercial bank of recognized standing in international trade in order that exchange will always be available in dollars to meet the needs of approved Servicio projects.

3. The Republic shall deposit to the credit of the Servicio, the sum of S/.1'956,836.35, as follows:

On or before September 15, 1949	S/. 97,499.98
A sum of S/.10,833.34 on or before the 15th day of each succeeding month to and including December 15, 1949, which monthly payments will aggregate	32,500.02
On or before January 15, 1950	304,472.75
A sum of S/.304,472.74 on or before the 15th day of each succeeding month to and including June 15, 1950, which monthly payments will aggregate	1'522,363.60
Total	<u>S/.1'956,836.35</u>

4. The funds to be deposited by the Institute under sub-section 2 of this Clause II on Aug. 15, 1949, shall be available for expenditure from the date on which deposited but all payments to be thereafter deposited by either party shall not be available for withdrawal or expenditure until the corresponding deposit due from the other party on the same date has been made.

5. The parties hereto, by written agreement of the Minister and the Special Representative, may amend the schedules for making the deposits required by this Clause II.

CLAUSE III

The Basic Agreement shall remain in full force and effect for the purpose of extending the cooperative education program, as provided herein, and all provisions of the Basic Agreement shall be applicable to all operations and activities under this Extension Agreement; EXCEPT that the Basic Agreement, (including any extensions and amendments thereto) in its application to the period provided for in this Extension Agreement, shall be deemed to be amended and supplemented by the provisions of this Extension Agreement, including the following particulars:

1. The parties hereto agree that any funds which remain in the Servicio unexpended and unobligated on the termination of the cooperative education program, shall, as agreed upon in writing by the parties hereto at that time, either be turned over to the Republic to be devoted by it to activities which will further advance the purposes of the program, or be returned to the parties hereto in the proportion of the respective contributions made by the parties under the Basic Agreement (including any extensions and amendments thereof).

2. Sub-section 2 of Clause IV of the Extension Agreement signed by the parties hereto on July 6, 1948 ^a is hereby amended to read as follows:

"2. Any of the funds introduced into Perú by the Institute for the purpose of the cooperative education program shall be exempt from taxes, service charges, investment or deposit requirements, and other currency controls. Any of the funds deposited by the Institute to the credit of the Servicio shall be exchanged at the highest rate which, on the day the exchange is made, is available to the Government of the United States for its diplomatic and

^a Not printed.

other official expenditures in Perú, but in any event, at a rate of exchange of not less than S/.6.485 per dollar."

CLAUSE IV

The Republic undertakes to obtain or promulgate such legislation, decrees, orders or resolutions as may be necessary to effectuate the terms of this Extension Agreement.

CLAUSE V

This Extension Agreement shall become effective as of the first of July on the date it is signed.

IN WITNESS WHEREOF, the parties hereto have caused this Extension Agreement to be executed by their duly authorized Representatives, in quintuplicate, in the Spanish and English languages, in Lima, Perú, this 1^o day of September, 1949.

For the Institute of Inter-American Affairs:

By LYLE B. PEMBER
Special Representative

For the Republic of Peru:

By MENDOZA
Minister of Public Education